

## **Disconnection of Natural Gas Service Commercial Customers**

Taken, in part, from the Commercial Natural Gas Billing Rules, BILLING PRACTICES APPLICABLE TO COMMERCIAL AND INDUSTRIAL GAS CUSTOMERS, MCL R 460.2071 - R 460.2086.

R 460.2084 Discontinuation, termination, or denial of service.

Rule 14. (1) Service to customers may be discontinued for nonpayment of a delinquent account for gas service or for failure of the customer to provide the utility with a deposit as authorized in R 460.2083. Service shall not be discontinued for failure to pay for merchandise or nonutility service purchased from the utility. In the event of discontinuation or termination of service at a separate commercial or industrial metering point or location, a utility may transfer any unpaid balance to any other commercial or industrial service account of the customer.

(2) The utility shall give the customer written notice that the customer has 10 days to settle the account or provide the required deposit or service will be discontinued at the end of the 10-day period.

(3) At least 1 day before a scheduled discontinuation of service, an attempt shall be made to contact the customer by telephone or in person. If contact is not made, a notice shall be left at the premises in a conspicuous location indicating that service may be disconnected the next business day if the bill or deposit is not paid.

(4) Service shall not be discontinued on a day, or a day immediately preceding a day, when the utility does not provide for receiving payments and restoring service.

(5) Service to centrally metered apartment buildings shall not be discontinued unless the provisions of R 460.2162(1)(d) have been complied with.

(6) Service may be denied or discontinued for nonpayment of unpaid balances of any other commercial or industrial account incurred by the customer under a different account name, by the customer's predecessor in interest, or by any other entity, the debt of which the customer is legally obligated to assume.

History: 1988 MR 5, Eff. May 28, 1988.

R 460.2085 Settlement agreement.

Rule 15. (1) If the utility and the customer arrive at a mutually satisfactory settlement of any claim in dispute or the customer does not dispute liability to the utility but claims inability to pay the outstanding bill in full, a utility shall offer the customer an opportunity to enter into a settlement agreement.

(2) A settlement agreement shall be in writing and signed by representatives of the customer and the utility who are authorized to enter into the agreement. The original settlement agreement shall be maintained on file by the utility for 2 years.

(3) Every settlement agreement entered into due to the customer's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the customer pays a reasonable amount of the outstanding bill and agrees to pay a reasonable portion of the remaining outstanding balance in installments until the bill is paid.

History: 1988 MR 5, Eff. May 28, 1988.

R 460.2086 Default of settlement agreement.

Rule 16. (1) If a customer fails to comply with the terms and conditions of a settlement agreement, a utility may discontinue service after notifying the customer, in writing, by personal service or first-class mail, of all of the following:

- (a) That the customer is in default of the settlement agreement.
  - (b) The nature of the default.
  - (c) That unless full payment of the claim is made within 10 days of mailing, the utility will discontinue service.
  - (d) The date upon which service is scheduled to be discontinued.
- (2) A utility is not required to enter into any subsequent settlement agreement with a customer until the terms of any previous settlement agreement have been fully complied with.
- (3) A utility is not required to enter into any subsequent settlement agreement with a customer who defaults upon the terms and conditions of a previous agreement.
- (4) If a settlement agreement is reached following a notice of discontinuance, the failure of the customer to abide by the terms of the settlement agreement during the first 60 days after the agreement is made constitutes a waiver of the notice required by subrule (1) of this rule. However, before discontinuance, a utility shall comply with the notice requirements of R 460.2084(3).

History: 1988 MR 5, Eff. May 28, 1988.